

CLAIMS

What is claimed is:

Sub A1 1. A method of determining whether or not a tendered check is negotiable comprising the steps of:

5 storing in a database information concerning checking accounts including a first table of checking accounts that are not in good standing and a second table of checking accounts that are in good standing;

receiving checking account information extracted from a tendered check;

10 comparing said checking account information from said tendered check to said first table of checking accounts that are not in good standing and said second table of checking accounts that are in good standing;

returning an indication that said tendered check cannot be verified if said checking account information from said tendered check matches said first table of checking accounts that are not in good standing;

15 returning an indication that said tendered check can be verified if said checking account information from said tendered check matches said second table of checking accounts that are in good standing; and

presenting said tendered check for negotiation if said indication that said tendered check can be verified is returned.

20 2. The method of claim 1, wherein said information concerning checking accounts that are not in good standing and checking accounts that are in good standing is extracted from checks presented for negotiation.

3. The method of claim 1, further comprising the steps of:

25 adding a record of said checking account information from said tendered check to said second table of checking accounts that are in good standing and designating said record as active;

calculating a number of days in which said tendered check would be returned as unpaid and entering said number of days into said record;

changing said record from active to in good standing if said number of days have passed since said tendered check was presented for negotiation and said tendered check has not been returned as unpaid;

5 removing said checking account information from said tendered check from said first table of checking accounts that are not in good standing if said first table includes a record of said checking account information from said tendered check, said number of days have passed since said tendered check was presented for negotiation and said tendered check has not been returned as unpaid;

10 deleting said record from said second table of checking accounts that are in good standing if said tendered check has been returned as unpaid; and

adding a record of said checking account information from said tendered check to said first table of checking accounts that are not in good standing if said tendered check has been returned as unpaid.

15 4. The method of claim 3, wherein said step of calculating includes determining the particular financial institution presenting said tendered check for payment and the particular bank from which funds will be drawn.

20 ✓ 5. A system for determining whether or not a tendered check is negotiable, comprising a database of checking account information including a first table of checking accounts that are not in good standing and a second table of checking accounts that are in good standing; means for receiving checking account information extracted from a tendered check; a processor for comparing said checking account information from said tendered check to said first table of checking accounts that are not in good standing and said second table of checking accounts that are in good standing; means for returning an indication that said tendered check cannot be verified if said checking account information from said
25 tendered check matches said first table of checking accounts that are not in good standing; means for returning an indication that said tendered check can be verified if said checking account information from said tendered check matches said second table of checking accounts that are in good standing; and means for presenting said tendered check for negotiation if said indication that said tendered check can be verified is returned.

6. The system of claim 5, wherein said information concerning checking accounts that are not in good standing and checking accounts that are in good standing is extracted from checks presented for negotiation.

5 7. The system of claim 5, further comprising means for adding a record of said checking account information from said tendered check to said second table of checking accounts that are in good standing and designating said record as active; means for calculating a number of days in which said tendered check would be returned as unpaid and entering said number of days into said record; means for changing said record from active to in good standing if said number of days have passed since said tendered check was presented for negotiation and said check has not been returned as unpaid; means for removing said checking account information from said tendered check from said first table of checking accounts that are not in good standing if said first table includes a record of said checking account information from said tendered check, said number of days have passed since said tendered check was presented for negotiation and said tendered check has not been returned
15 as unpaid; means for deleting said record from said second table of checking accounts that are in good standing if said tendered check has been returned as unpaid; and means for adding a record of said checking account information from said tendered check to said first table of checking accounts that are not in good standing if said tendered check has been returned as unpaid.

20 8. The system of claim 7, wherein said means for calculating includes means for determining the particular financial institution presenting said tendered check for payment and the particular bank from which funds will be drawn.